

## MOUNTAIN AREA INFORMATION NETWORK The Community Network of Western North Carolina

March 15, 2013

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Wally Bowen, Ex Officio Marlene H. Dortch 445 12th Street, S.W. Room TW-A325 Washington, D.C. 20554

Re: GN Docket No. 13-5

Dear Ms. Dortch:

On March 14, 2013, I spoke with members of the Commission's Technological Transitions Task Force via telephone conference-call at the invitation of Claude Aiken of the Office of General Counsel. Other Commission staff on the call were: Rebekah Goodheart, OGC; Sean Lev, OGC; Charles Mathias, OCH; Walter Johnston, OET; Jonathan Chambers, OSP; Henning Schulzrinne, OSP; Eric Ralph, WCB; and Wesley Platt, WCB.

I explained three recommendations from the nonprofit Mountain Area Information Network (MAIN) that, if implemented, would meet the Commission's statutory mandates for universal service, consumer protections, and network reliability via the transition to IP networks.

The recommendations are: expanded eligibility for Connect America Fund support to include and to encourage local "self-help" networks; expanded unlicensed spectrum for last-mile broadband services; and preemption of state laws restricting municipal broadband networks.

In the aggregate, these proposed actions would eliminate outdated regulations requiring incumbent carriers to serve areas where their business models do not work, ensure a more cost-effective use of USF funds, promote competition via the re-emergence of an independent ISP sector, and ensure network reliability and consumer protections via local ownership and accountability.

These recommendations are not hypothetical or speculative. They are based on MAIN's 17 years of experience as a last-mile, community ISP in the mountain region of North Carolina. Moreover, federal support for local "self-help" networks to achieve universal service of essential utilities has a long record of success evidenced by the hundreds of nonprofit rural electric networks made possible by the Rural Electrification Act of 1936. The majority of these networks are now investing in middle-mile fiber infrastructure. Indeed, since 2003, all of MAIN's last-mile bandwidth has been purchased from local nonprofit networks such as French Broad EMC.

The exclusion of existing operational networks like MAIN and French Broad EMC from the Connect America Fund in favor of for-profit carriers who shun these rural areas is misguided public policy at its worst. During the March 14 conference call, a Commission staff member noted that the Telecommunications Act "limited USF support to incumbent carriers."

"Does that mean that only an act of Congress could expand eligibility for CAF support?" I replied. "Not necessarily," said the FCC staff member. "We would have to look at how this could be done within the statutory framework," she said. "Then that's what we are asking the FCC to do," I replied.

Attached please find a copy of my extended remarks presented during the March 14 conference call. Please don't hesitate to contact me at 828.255.0182 if you need any additional information.

Sincerely,

Wally Bowen

**Executive Director**